Office of Electricity Delivery and Energy Reliability

Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, August 09, 2016

Electricity

Update: Sempra's 155 MW Copper Mountain Solar Unit in California Returns to Service by August 8

The unit returned from an unplanned outage that began on August 7. http://content.caiso.com/unitstatus/data/unitstatus201608081515.html

Mirant's 530 MW Pittsburg Gas-fired Unit 7 in California Reduced by August 8

The unit entered an unplanned curtailment of 130 MW.

http://content.caiso.com/unitstatus/data/unitstatus201608081515.html

ERCOT System Hits 70,169 MW, Sets New System-wide Peak Demand August 8

The Electric Reliability Council of Texas (ERCOT), which operates the grid in most of the state, on Monday set a new system-wide peak demand of 70,169 MW. The new record exceeds ERCOT's previous record of 69,877 MW, which was set on August 10, 2015. The Director of System Operations said the system has performed well so far through the August heat wave and sufficient generation was available on Monday. With regional temperatures expected to remain in the triple digits for much of the week, ERCOT's load is projected to peak even higher above 70,000 MW on Tuesday and Thursday between the hours of 4:00 p.m. and 6:00 p.m. CDT. http://www.ercot.com/news/press_releases/show/103236

Exelon to Assume Ownership, Operation of Entergy's 882 MW Fitzpatrick Nuclear Power Plant in New York

Exelon Generation on Tuesday announced it has agreed to assume ownership and management of operations of Entergy Corporation's FitzPatrick Nuclear Power Plant in Scriba, New York near Lake Ontario. Entergy Corp. previously announced in November 2015 that it planned to close the 41-year-old plant due to low natural gas prices, high operational costs and a "flawed" energy market. Under the agreement, which totals \$110 million, Entergy would transfer FitzPatrick's operating license to Exelon upon closure. Exelon, which runs the Nine Mile Point reactors also in upstate New York, had said any deal would be contingent on New York adopting a subsidy plan for nuclear reactors that compensates plants for their clean emissions. Discussions of the high operating and maintenance costs between the private sector and state governments have been on-going and the state adopted a subsidy policy last week. Transaction closure is dependent upon regulatory review and approval by state and federal agencies, including the U.S. Department of Justice, the Nuclear Regulatory Commission, the Federal Energy Regulatory Commission, and the New York State Public Service Commission. The transaction is expected to close in the second quarter of 2017.

 $\frac{\text{http://www.exeloncorp.com/newsroom/exelon-to-assume-ownership-and-operation-of-fitzpatrick-nuclear-power-plant}{\text{plant}}$

Mississippi Power's 582 MW Kemper County Energy Facility in Mississippi Completion Delayed One Month

Mississippi Power on Monday revised its Kemper County energy facility's scheduled in-service date to October 31, 2016. The one-month extension is needed to make mechanical equipment modifications to the gasifiers' supporting systems, complete the remaining commissioning activities on the syngas clean-up systems and integrate all systems necessary to generate electricity.

http://mississippipowernews.com/2016/08/08/mississippi-power-issues-statement-regarding-kemper-county-energy-facility-schedule/

http://www.mississippipower.com/about-energy/plants/kemper-county-energy-facility/facts

Algonquin Power & Utilities Announces Commercial Operation of Its 200 MW Odell Wind Project in Minnesota August 9

Algonquin Power & Utilities Corp. on Tuesday announced commercial operation of its 200 MW Odell Wind Project located in Cottonwood, Jackson, Martin, and Watonwan Counties in Minnesota, under the terms of the power purchase agreement with an investment grade utility.

http://investors.algonquinpower.com/file.aspx?IID=4142273&FID=35430890

PJM to Invest \$636 Million in Transmission Projects to Enhance Reliability

PJM Interconnection, operator of the largest U.S. electric grid, said Tuesday its board has approved \$636 million in electric transmission projects to strengthen the grid and reduce electricity costs. The approvals include a market efficiency project which is expected to save customers approximately \$622 million over 15 years by investing \$320 million to alleviate transmission congestion across the Pennsylvania and Maryland border. The project, which is expected to be in-service by 2020, involves upgrades at existing substations, the construction of two new substations and two new transmission lines, and improvements to existing lines. In addition, the PJM Board approved additional capital of \$316.3 million towards other new or changed projects focusing on maintaining the reliability of the regional electric transmission grid.

http://www.pjm.com/~/media/about-pjm/newsroom/2016-releases/20160809-rtep-news-release-market-efficiency-project.ashx

Petroleum

Valero Says Operations Unaffected by Train Derailment near Its 335,000 b/d Port Arthur, Texas Refinery August 9 – Sources

Valero Energy Corp said its Port Arthur, Texas refinery was unaffected by a nearby train derailment on Tuesday morning, according to sources familiar with plant operations. The sources added that the train was not destined for the Valero refinery. The derailment occurred next to the facilities, but there were no leaks from its rail cars, according to the Port Arthur Police Department. Police did not specify the number of railcars affected, nor the contents they were hauling. In addition, a Valero spokeswoman said the company's policy prevents her from discussing refining operations.

Reuters, 12:00 August 9, 2016

LyondellBasell Reports Process Upsets at Its 263,776 b/d Houston, Texas Refinery August 9

LyondellBasell was responding to an event in its Houston, Texas refinery as a result of process upsets, according to a community information line. There were no additional details available at the time of the report. Reuters, 15:36 August 9, 2016

Inter Pipeline to Acquire Williams Cos, Williams Partners' Canadian Operations

Inter Pipeline Ltd. on Monday announced it agreed to acquire the shares of The Williams Companies Inc.'s and Williams Partners L.P.'s Canadian natural gas liquids (NGLs) midstream businesses. Williams Canada's assets include two liquids extraction plants located near Fort McMurray, Alberta; a fractionator near Redwater, Alberta; and a pipeline system that connects these facilities. The two extraction plants have the capacity to recover approximately 40,000 b/d of NGLkl and olefins from the upgrader offgas. The liquids mix is then separated into marketable products at the Redwater fractionator and sold across North America. As a result of this acquisition, Inter Pipeline also assumes responsibility for the potential construction of a \$1.85 billion Propane Dehydrogenation facility located near the Redwater fractionator. This facility would convert low-cost, locally sourced propane into high value polymer-grade propylene, an important petrochemical product largely used in plastics manufacturing. The transaction is expected to close in the third quarter of 2016 and is subject to approval under the Competition Act and other customary closing conditions.

http://www.interpipeline.com/news/news-releases.cfm?newsReleaseAction=view&releaseId=305

Natural Gas

Nothing to report.

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices August 9, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	42.73	39.45	43.82
NATURAL GAS Henry Hub \$/Million Btu	2.83	2.87	2.76

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA) http://www.eia.gov/oog/info/twip/twip.asp Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

http://www.eia.gov/oog/info/ngw/ngupdate.asp

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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http://www.oe.netl.doe.gov/ead.aspx

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